

STATUTORY AUDIT TURNAROUND PLAN
2010/2011 – IMPLEMENTATION PLAN

				the departments.	department.			
59.	No supporting documentation for journals.	H	Exp Budget		Person authorizing journals both on hard copy and on Munsoft must ensure that there are adequate supporting documents to explain the reason/s for the journal entry.	T. Shezi and Z Mkhize	01/02/2011	All payments for 2010/11 to be reviewed to regularized. SLA ??????? JEs will only be authorized if the relevant supporting documentation is attached.
60.	Operating leases incorrectly classified and disclosed	H	Budget		Disclosure corrected in the AFS for the year ended 30 June 2011. Full list and supporting leases to be sourced and filed for 2010/11 financial year.	T Shezi	15/04/2011	File of operating and finance leases to be compiled.
61.	Grants and projects, no expenditure incurred in the current year.	M	Exp	Lack of monitoring of grants	<ul style="list-style-type: none"> Monthly reporting on unused grants by Finance to user department. Prepare an item for Council Resolution to disperse unspent grants that could not be traced for it intended use. 	T. Shezi	31/03/2011	Grant reconciliation to be sent to user department for feedback on why grants have not be spent. Responses to be escalated to MM and HOD.
62.	Exceeding of approved MIG resulting in unauthorized expenditure.	H	Budget	Lack of budget monitoring	<ul style="list-style-type: none"> Improve the budget monitoring by the Budget Officer/Technical Service (Project Manager) 	Budget	31/03/2011	
63.	Non Compliance with SCM Regulations and indicators of fraud (VIP Toilets).	H	MM		MM to institute investigation into the hiring of VIP toilets as highlighted by the AG.	MM	30/04/2011	Meeting with CFO and IA set to institute plan of action.
64.	Material loss of water.	H	Tech Services		Monthly water loss monitoring and implementation of water loss saving plan to minimize water losses.	Director: Tech Services	31/03/2011	Investigation still to be instituted.
65.	IT audit findings.	HH	MM		Service provider to address issues raised in the IT Management Report.	MM	30/04/2011	Terry Lewis appointed to address IT issues raised in the AGs IT Report.

Action plan on audit findings

ANNEXURE SIX

2009/2010 iLembe SDBIP - Operating Budget - Finance Department																	
Performance - as per target																	
National KPA	Key Performance Area (KPA)	Baseline Indicator	Key Performance Indicator	Annual Target	Quarter 1 (Jan-Mar)				Quarter 2 (Apr-Jun)				Individual	MMS Score	Agreed Score	Evaluation Score	Comments
					Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual					
	Obtain unqualified audit report for 2007/2008.	Qualified audit report for the 2006/2007 financial year.	Unqualified audit report by the AG for 2007/08.	Unqualified audit report by the AG for 2007/08.	Attend to audit queries	Attend to audit queries and respond to AG's audit report	Submit audit report to Council	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	Received unqualified report	Manager: Budget and Financial Management	4		4	
	Statutory monthly reporting to National Treasury.	Report by 14th of every month.	Reports submitted by 14th of every month.	Monthly.	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	Reports submitted by 14th of every month.	All reports received by the 14th of every month.	Manager: Budget and Financial Management	4		4	
	1. Monthly Reports (s71 of MFMA)																
	Debtors ageing (AD)																
	Creditors ageing (AC)																
	Statement of Financial Performance (OSA)																
	Capital Expenditure																
	Cash Flow actuals (CFA)																
	2. Quarterly Reports to various stakeholders																
	MSIG (DPLG)																
	Quarterly budget reviews (Council, Provincial Treasury) - Quarterly withdrawals (Council, Provincial Treasury, Auditor General)																
	Compile Budget for 2010/2011.	2009/2010 Operating and Capital Budget.	Approved fully funded Operating & Capital Budget for 2010/2011 by deadline	31 May 2010	Submit budget programme to the Mayor	Continue with Budget Process	Prepare 2008/09 adjustment budget & 2009/10 draft budget	Verification & balancing of assets	100% GRAP compliant	Prepare 2009/10 final budget & submit for approval - end May	Adopted 15 June 2010	Manager: Budget and Financial Management	3			4	
	To ensure that all financial transactions conform to GRAP	IMFO standards	100% GRAP compliance by deadline	100% GRAP compliance by June 2010	Draw up a draft implementation plan for GRAP & start staff training	GRAP implementation continues and more training for staff						Awaiting handover from PWC	Manager: Budget and Financial Management	2		2	
	Budget Policy Review	Existing Policy	1. Approved policy by Council by deadline. (Evidence - Exco Resolution)	Dec 2009	Workshop Council	Council Approval	Implementation	Implementation	Implementation	Implementation	Approved by Council in Dec	Manager: Budget and Financial Management	3			3	
	Tariff Policy Review	Draft policy	1. Approved policy by Council. (Evidence - Exco Resolution)	Dec 2009	Workshop Council	Council Approval	Implementation	Implementation	Implementation	Implementation	Approved by Council in Dec	Manager: Budget and Financial Management	3			2	
	Meter Replacement - KwaDukuza	Number of estimated meters as of June 2009 - 2060	1081 meters by end Dec 2009	540 meters replaced	540 meters replaced	540 meters replaced	N/A	N/A	N/A	N/A	1056	Manager: Revenue	3			3	

2009/2010 iLembe SDBIP - Operating Budget - Finance Department																					
National KPA	Key Performance Area (KPA)	Baseline indicator	Key Performance Indicator	Annual Target	Performance - as per target										Individual	IMs Score	Agreed Score	Evaluation Score	Comments		
					500 meters		1300 meters		1600 meters		2000 meters		Actual	Projected						Actual	Projected
					Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual									
	Revenue collection - Meter reading	5000 meter readings verified per month	Decrease in no of meter readings verified by deadline (UM - Number) (Evidence - Monthly final deviation report)	2000 meters by end June 2010	500 meters		1300 meters		1600 meters		2000 meters		4305 reduction	Manager: Revenue	5		5				
	Electronic Meter Reading (Radix)	2 LM's	Increase in number of LM's using Radix	2 more LM's	a) Upgrade Radix system b) Purchase hand held.		Implement (2 additional LM's served)		N/A		N/A		Indwawezi Maphumulo	Manager: Revenue	3		3				
	Revenue collection - Returned Statements	674 statements returned	% Reduction in the no of statement of accts returned. (UM - No) (Evidence - No)	Decrease no of returned statements by 50% - June 2010	10% decrease		20% decrease		30% decrease		50% decrease		66% decrease	Manager: Revenue	5		4				
	Customer Care	a) None b) 7 working days	a) % reduction in the number of registered queries b) No of days to resolve queries	a) 100% b) 3 working days	a) Establish baseline b) 6 days		a) 30% reduction b) 4 days		a) 60% reduction b) 3 days		a) 100% reduction b) 3 days		a) Not measured b) Not measured	Manager: Revenue	1		N/A	Call centre not functional			
	Electronic Payments by Consumers	No Electronic Payments	a) Fully functional debit order facility by deadline b) Master Card payment facility by deadline	a) Availability of debit order facility to consumers b) Availability of electronic payments to consumers b) Debit order	Debit order facility available to consumers		Electronic payments available to consumers		N/A		N/A		Done by Jan 2010	Manager: Revenue	3		3	Delay in authorisation			
	Revenue collection - Credit Control	59%	% monthly payment rate increase (UM - %) (Evidence - Monthly control list)	Increase to 75%	3% increase		4% increase		4% increase		5% increase		17% to 58%	Manager: Revenue	2		2				
	Revenue collection - Indigent Support	KDM Indigent register available	a) % of applications received that are registered as indigent (UM - %) (Evidence - Register)	100% of applications received are registered	100%		100%		100%		100%		100%	Manager: Revenue/Manager Communications	3		3				
	Rand for Rand Campaign	20%	Total % of all registered consumers paying their current acct monthly	90%	50%		60%		75%		90%		46%	Manager: Revenue	2		2				
	Payment of creditors	80%	Percentage of creditors paid within 30 days	95%	80%		85%		90%		95%		90%	Manager: Expenditure	2		2				
	Improve quality of claims submitted (O/Time & Travel)	None	% reduction in claims returned by Finance to claimants	80%	20%		40%		60%		80%		94%	Manager: Expenditure	4		4				
	MIG	Payment made within 5 days from date of receipt of claim	% of claims submitted to Finance paid within 5 days	100%	100%		100%		100%		100%		77%	Manager: Expenditure	2		3	Delay due to insufficient MIG funding			